Sabha'to- listen to their debate and reply over there.

SHRI SANGH PRIYA GAUTAM : In that case, we will have to dispense with the lunch hour.

THE DEPUTY CHAIRMAN : We can dispense with the lunch hour. We have been doing for quite some time. But today also, I think the Commerce Minister did not have lunch and so did I.

SHRI PRANAB MUKHERJEE: Madam, if you allow me, I would like to make one suggestion. We have two options. Either we can skip the lunch day after tomorrow and finish this business so that I can attend Lok Sabha after giving reply or we can sit a little longer today and the Hon. Members can have lunch day after tomorrow I am at the disposal of the House.

DR. BIPLAB DASGUPTA : Madam, it would be too difficult because quite a number of Members thought that it would be closed by 5 O'clock. So, it would be difficult to continue with it now. But, to make it more meaningful, the Zero Hour could be curtailed.

THE DEPUTY CHAIRMAN : There is no Zero Hour to me.

DR. BIPLAB DASGUPTA : But the convent on is there. May be, from 12.00 to 12.30, you can allow some Members to raise some issues and thereafter, we will take it up. skip the lunch hour and finish it.

THE DEPUTY CHAIRMAN : Agreed. But then, everybody will have to be brief so that we can finish it. We want to have a meaningful discussion and not a prolonged discussion which put people to sleep. We have agreed to this decision that we will have a good discussion day after tomorrow on this issue and the Minister will reply.

SHRI SANGH PRIYA GAUTAM : As good as we had today ?

THE DEPUTY CHAIRMAN : That, of course, kept me very much awake. Now. we have a statement by the Minister of Steel. Mr. Minister, would you like to read it out ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI SON-TOSH MOHAN DEV) : Yes, Madam.

THE DEPUTY CHAIRMAN : You can read it out and the clarifications can be asked later on. There is some technical difficulty and he has to make it oday. Mr. Minister, I think, you have aade it in the other House.

SHRI SONTOSH MOHAN DEV: No, Madam. In the other House, it was not for today. Unless I do it, the notification cannot be made.

THE DEPUTY CHAIRMAN : Since Rajya Sabha is sitting, he has to make it. It is obligatory on his part.

SHRI SONTOSH MOHAN DEV: It is a policy matter and I cannot declare it outside. The instructions are that when policy decisions are taken, the House should be taken into confidence.

THE DEPUTY CHAIRMAN : It will take only five minutes and the clarifications can be asked later on.

Statement by Minister

Discontinuation of Steel Development Fund Levy

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : Madam, The Steel Development Fund (SDF) was created in 1978 for ensuring a minimum and sustained flow of funds for financing programmes for the modernisation and development of the steel industry. For this purpose, it was decided to levy a development surcharge on specified products of the main steel producers, namely Steel Authority of India Limited (SAIL), Indian Iron and Steel Company (IISCO) and Tata Iron and Steel Company Limited (TISCO), and (subsequently) Rashtriya Ispat Nigam Limited (Visakhapatnam Steel Plant).

The rate of levy was initially Rs. 100 per tonne and subsequently revised from time to time. The rates after the last

revision ranged between Rs. 350 to Rs. 500 per tonne.

The Fund has been utilised mainly for providing loans to the main producers for financing their modernisation and development schemes. The Fund has been managed by a Managing Committee comprising Secretary (Steel) as Chairman, with Secretary (Planning Commission) and Secretary (Expenditure) as Members and the Development Commissioner for Iron & Steel as the Member-Secretary.

The SDF has played a useful role in the development of the steel industry by making substantial funds available to the main steel producers for modernisation and expansion of their steel plants. However, after deregulation of the pricing and distribution of steel with effect from January, 1992, it became necessary to review the need and desirability of continuing this levy. It was represented by the main producers that the levy placed them at a disadvantage against the secondary steel producers who are not required to pay such a levy and also against imports on which no levy is charged. The Chelliah Committee on Tax Reforms in its final report submitted in January, 1993, has also recommended abolition of the SDF levy since it leads to distortions in price competitiveness.

Taking all these factors into consideration, Government has decided to discontinue SDF levy. The manner of utilisation of the corpus remaining in the SDF which is in the shape of loans advanced to the main steel producers will be decided by Government subsequently. It is proposed to use the interest accruing on the SDF loans for taking up research and development programmes.

THE DEPUTY CHAIRMAN : We will have clarifications later on .. *(Interruptions)* .. I would like to have them now but those who wanted to seek clarifications are not here. We can have them some time the day after tomorrow. We will try to do it as early as we can. Okay.

The House stands adjourned till 11 A.M. on Thursday.

The House then adjourned at eighteen minutes past five of the clock till eleven of the clock on Thursday, the 20th April, 1994.